

**PUBLIC WORKS INFRASTRUCTURE:
POLICY CONSIDERATIONS FOR THE 1980s**

**Congress of the United States
Congressional Budget Office**

NOTES

At the start of Chapters II through VIII, each of which deals with a single infrastructure system, a brief paragraph summarizes the problems affecting that system and the associated costs, the federal government's current and possibly altered participation, and the application of several policy strategies.

Unless otherwise noted, all dollar figures are expressed in constant 1982 dollars. All dates are fiscal years unless specified as calendar years.

In some tables, details may not add to totals because of rounding.

PREFACE

The nation's long-term economic growth will depend heavily on the adequacy of its public works infrastructure. In the past several years, much attention--both public and Congressional--has been drawn to the declining condition of infrastructure systems and to those systems' capacity to accommodate future economic and population growth. This study, undertaken at the request of the Senate Committee on the Budget, assesses the needs of seven infrastructure systems and the costs of meeting those needs. The primary focus of the analysis is on the cost effectiveness of infrastructure investment, a concern made particularly pressing by the constraints now affecting the federal budget. In this context, the paper considers how current federal policies and funding levels may or may not mesh with infrastructure needs anticipated over the coming decade, how possible policy changes might bring about improved cost effectiveness, and how changes at the federal level could affect state and local governments and the private-sector beneficiaries of infrastructure services.

The study was prepared by David L. Lewis, Richard R. Mudge, Kenneth Rubin, and Suzanne Schneider of CBO's Natural Resources and Commerce Division under the supervision of David L. Bodde. Johanna Zacharias assisted in drafting and edited the manuscript. The authors owe special thanks to Angela Z. McCollough and Kathryn Quattrone for their skill and diligence in typing the many drafts and preparing the paper for publication. Many people offered valuable comments on drafts, particularly Everett M. Ehrlich, Debra F. Goldberg, Robert W. Hartman, Anne E. Hoffman, Daniel Koretz, Kathleen Kelly, Patrick J. McCann, Pearl Richardson, and Robert Sunshine of CBO, and G. William Hoagland and other members of the Senate Budget Committee staff. Graphic illustrations were prepared by Andy Hemstreet. In keeping with CBO's mandate to provide objective analysis, the study offers no recommendations.

Alice M. Rivlin
Director

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